



STATE OF NEW JERSEY
DEPARTMENT OF LAW & PUBLIC SAFETY
DIVISION OF CONSUMER AFFAIRS
REAL ESTATE APPRAISERS BOARD

IN THE MATTER OF THE LICENSE OF :

Administrative Action

STEPHEN L. DIXON :

License # 42100101400 :

FINAL ORDER OF
DISCIPLINE

COPY

This matter was opened to the New Jersey State Real Estate Appraiser Board (the "Board") upon receipt of information which the Board has reviewed and on which the following findings of fact and conclusions of law are made:

FINDINGS OF FACT

1. Respondent¹ is a certified residential real estate appraiser in the State of New Jersey, and has been a licensee of the Board at all times relevant hereto. Respondent's son, Shawn R. Dixon, is a licensed residential real estate appraiser and has been a licensee at all times relevant hereto.

1. On or about October 15, 2008, Respondent testified² that

Respondent's name appears to be actually Stephen L. Dixon, Sr. The documents (an appraisal report and letters) indicated in this Order bear the name of "Shawn R. Dixon, Sr.," although Shawn R. Dixon is actually Respondent's son. To avoid confusion, the appellation, "Sr.," has been omitted from this Order.

²An investigative inquiry was held on April 14, 2009.

he prepared an appraisal of residential property at 5126 Church Road, Mount Laurel Township, New Jersey.

3. Respondent testified that he mistakenly placed his son's electronic signature on the appraisal report, so that Respondent's name, Stephen L. Dixon, did not appear on the report; instead, the name of Respondent's son, Shawn R. Dixon, appeared on the report.

4. Chase Home Lending ("Chase"), to whom the mortgage had apparently been sold, wrote to Shawn Dixon about the appraisal of 5126 Church Road, indicating that Chase would no longer accept appraisals from Shawn Dixon because of alleged inadequacies in the report.

5. Respondent testified that he replied to this letter, signing the name "Shawn R. Dixon," although he was not Shawn Dixon. Respondent further testified that he did not advise his son that he had signed his name to a communication to Chase.

6. On or about December 10, 2008, the Board wrote to Shawn Dixon inquiring about the appraisal of 5126 Church Road (the "subject property"), following receipt of a complaint about the report.

7. Respondent testified that he replied to the Board, falsely signing his son's name without his son's knowledge.

8. The appraisal of 5126 Church Road, which Respondent testified that he prepared, indicated that the subject property was under contract for \$275,000, and the report stated that the

"contracts seem in order." Respondent did not address the ~~fact~~ that the contract price was significantly lower than the value conclusion in the report which was \$335,000.

9. In the appraisal of the subject property, comparable #2, 8 Barton Way, is a Planned Unit Development ("PUD") with a \$280.00 yearly fee, a pool, tennis court, and playground. The subject is not a PUD and does not contain a pool, tennis court or playground. This is not indicated in the report.

10. The subject property was listed for sale at the time of the appraisal for \$290,000, which is significantly lower than the report's value conclusion. Respondent did not indicate the listing price in the report, nor did Respondent analyze the listing.

11. Standards Rule 1-1(a) of the Uniform Standards of Professional Appraisal Practice (the "USPAP") requires an appraiser to correctly employ those recognized methods and techniques necessary to produce a credible appraisal.

12. Standards Rule 1-1(b) of the USPAP requires an appraiser to avoid committing a substantial error of omission or commission that significantly affects an appraisal.

13. Standards Rule 1-5 requires an appraiser to analyze all agreements of sale, options, and listings of the subject property as of the effective date of the appraisal.

CONCLUSIONS OF LAW

1. Respondent's deliberate misrepresentation of his identity

in his communications, both to Chase and to the Board, falsely signing the name of his son without that individual's knowledge and consent, constitutes a violation of N.J.S.A. 45:1-21(b).

2. Respondent's failure to address in his appraisal report the fact that the contract price of the subject property was significantly lower than the value conclusion constitutes a violation of Standards Rules 1-1(b) and 1-5 of the USPAP, subjecting Respondent to sanctions, pursuant to N.J.A.C. 13:40A-6.1 and N.J.S.A. 45:1-21(e) and (h).

3. Respondent's use of comparable #2, a PUD with a yearly fee and amenities such as a pool, tennis court, and playground, comparing it to the subject, which is not a PUD, and which has no such fees or amenities, without indicating this in the appraisal report, constitutes a violation of Standards Rules 1-1(a) and (b) of the USPAP, subjecting Respondent to sanctions, pursuant to N.J.A.C. 13:40A-6.1 and N.J.S.A. 45:1-21(e) and (h).

4. Respondent's failure to indicate in the report that the subject property was currently listed for sale at \$290,000, an amount significantly lower than his value conclusion of \$335,000, constitutes a violation of Standards Rule 1-5 of the USPAP, subjecting Respondent to sanctions, pursuant to N.J.A.C. 13:40A-6.1 and N.J.S.A. 45:1-21(e) and (h).

5. The above violations also subject Respondent to sanctions pursuant to N.J.S.A. 45:1-21(d) for repeated acts of negligence.

Based on the foregoing findings and conclusions, a Provisional Order of Discipline was entered by this Board on August 19, 2009, which provisionally imposed a one-year suspension on Respondent, with the first six months of the suspension to be actively served; a \$2,500.00 civil penalty; and investigative costs of \$225.00. The Provisional Order of Discipline stated that it was subject to finalization by the Board at 5:00 p.m. on the 30th business day following entry unless Respondent requested a modification or dismissal of the stated Findings of Fact or Conclusions of Law by submitting a written request for modification or dismissal setting forth any and all reasons why said findings and conclusions should be modified or dismissed and submitting any and all documents or other written evidence supporting Respondent's request for consideration and reasons therefor.

Respondent replied to the Provisional Order, indicating that "he did not fully understand the consequences of his actions" with respect to his acts of misrepresentation. With respect to the USPAP violations, Respondent does not contest the failure to analyze the current listing for sale of the subject for \$290,000 in his report. He stated that he reviewed the listing himself and used the information in the preparation of the report. As for Respondent's failure to explain the significant difference between the contract price and the value conclusion, Respondent states that he reviewed the contract and was not required to offer a "detailed

discussion" of the contract price or listing agreement.

ACCORDINGLY, IT IS on this 26th day of October 2010,

ORDERED THAT:

1. A one-year suspension is hereby imposed upon Respondent for his violation of N.J.S.A. 45:1-21(b), (d), (e), and (h). The first six months of the suspension are to be actively served, with the remaining six months to be served as a period of probation. The active suspension shall commence fifteen days following entry of this Order.

2. A civil penalty in the amount of \$2,500.00 is hereby imposed upon Respondent for the above violations, which penalty shall be paid in full upon entry of this Order, or pursuant to such schedule of payments (to include the assessment of interest at a rate of 1.5%) that may be deemed acceptable by the Board.

3. Investigative costs in the amount of \$225.00 are hereby imposed upon Respondent which costs shall be paid in full upon entry of this Order. Payment shall be in the form of a certified check or money order payable to the State of New Jersey; delivered to Executive Director Charles Kirk, State Real Estate Appraisers Board, 124 Halsey Street, 3rd floor, P.O. Box 45032, Newark, New Jersey 07101. In the event Respondent fails to make a timely payment, a certificate of debt shall be filed in accordance with

N.J.S.A 45:1-24 and the Board may bring such other proceedings as authorized by law.

NEW JERSEY STATE REAL ESTATE APPRAISER BOARD

By: Frank A. Willis
Frank A. Willis
Board President